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Property Insight

Tianjin

Lujiazui project highlights new development trend

With the completion of Tianjin International Building, a 38-storey block of offices, service apartments and retail space with a total built-up area of 52,000 sqm in 1991, the concept of mixed-use projects first came into the public eye in Tianjin. Mixed-use projects, which physically and functionally integrate commercial, residential, institutional and even cultural uses, have become one of the most popular types of urban development in Tianjin during the past two decades. As we continue to track Tianjin's real estate market, we notice the size of mixed-use projects has gradually been expanding. A new mixed-use project, the Tianjin Lujiazui mixed-use project in Hongqiao District, with a total built-up area of more than 450,000 sqm (including office, retail and hotel space), will be the highlight of the market in the second half year of 2017 due to this project being bigger than most previous projects.

Project Name	Tianjin International Building	Tianjin Exchange Towers	Joy City	Yanlord Riverside Plaza	Tianjin Lujiazui Plaza
Completion Year	1991	2002-2007	2015	2016	2017
Office (sqm)	25,500	80,000 in two towers	64,000	45,000	189,500 in two towers
Retail (sqm)	5,000	55,000	164,000	75,000	105,000
Hotel (Number of Rooms)	105	373	-	-	258
Residential (sqm)	-	-	530,000	270,000	269,900
Other Uses	-	-	-	-	Wellington College International Tianjin

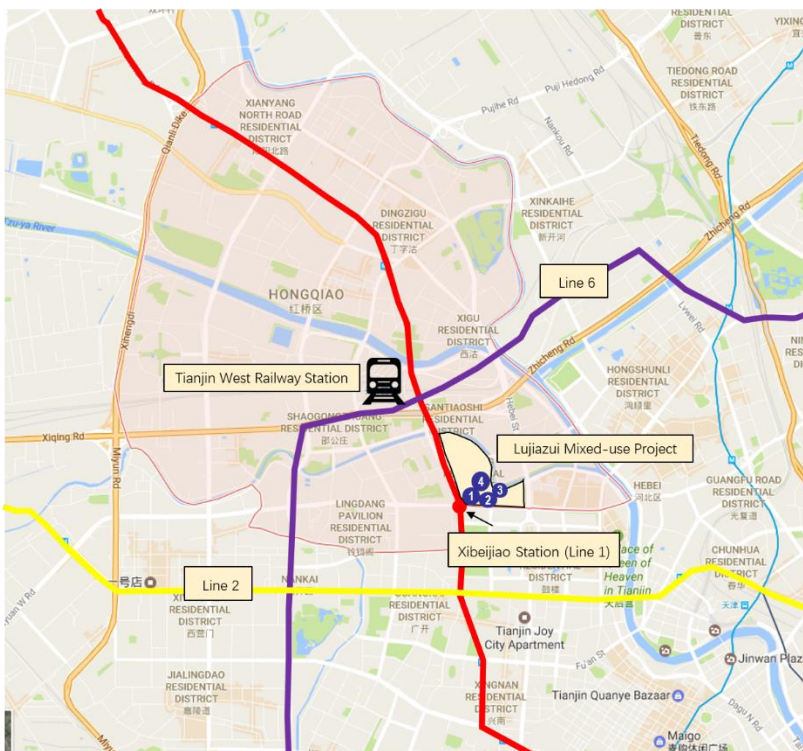
Total Built-up Area (sqm) excluding Residential	52,000	160,000	228,000	120,000	450,000
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Lujiazui project benefits from the convenient and smooth traffic network

The Lujiazui mixed-use project is located in Hongqiao District and is less than 1 km away from Tianjin West Railway Station.

Hongqiao District, located in the north-west of the city, is one of the downtown areas in Tianjin. In the past, Hongqiao District was called “the lower reaches of many rivers”, and “Hongqiao” was given the name because of the ancient red bridge that had been in the district history. Hongqiao was the trading and industrial cradle of Tianjin and even in northern China. Guyijie, Beidaguan and Dahutong, less than 1,000 m from the Lujiazui mixed-use project, are well established and still one of the most typical ancient commercial streets.

Tianjin West Railway Station was built in 1909 and underwent development as part of the West Railway Station Transformation and Expansion Project in 2009. The station reopened in 2011 as a high-speed railway station and is served by Jinbao Railway and by the Jingjin Intercity Railway, connecting Beijing and Hebei Province in one hour. The station is to become one of the largest passenger traffic hubs in central Tianjin, integrating high-speed rail, normal speed rail, rail transit and subways. It is also to become a modern traffic and business centre integrating top-grade companies in multiple fields, retailing, entertainment, hotels, trading, and logistics. In addition to the railway, the subway is another transportation highlight for the Lujiazui project. Metro Line 1, opened in 2006, will seamlessly connect to L+ Mall, the shopping mall in the Lujiazui mixed-use project.



Lujiazui Mixed-use Project

- 1 L+ Mall
- 2 Tianjin Lujiazui Plaza
- 3 Courtyard by Marriott Tianjin Hongqiao
- 4 Wellington College International Tianjin

— Line 1
— Line 2
— Line 6*
 *Phase I completed in 2016

The multiple uses of the Lujiazui mixed-use project

The Shanghai Lujiazui Finance & Trade Zone Development Company Ltd., a well-known domestic developer, has been developing the Tianjin Lujiazui mixed-use project in Hongqiao District since 2008. Hongqiao District has a rich history and is considered one of the historical origins of Tianjin. However, compared with Heping, where Tianjin's most established and centralised CBD area, the Nanjing Road-Xiaobailou sub-market, is mainly located and Nankai, where the emerging Old Town-Haiguangsi sub-market is mainly located, Hongqiao has limited stock of commercial property. Lujiazui's entrance into Hongqiao District will highlight this less developed district in multiple sectors. In the office sector, Hongqiao will welcome its first Grade A office building, Tianjin Lujiazui Plaza A, in the second half of 2017. This will provide one more option for tenants with a demand for high-quality Grade A office space in Hongqiao District and the Old Town-Haiguangsi sub-market.

In the retail sector, the shopping centre of L+ Mall will become a new landmark in the emerging West Railway Station area in Hongqiao and become a highly competitive player in the mid-to-high-end market. The mall itself has seven floors of shops, six above ground and one at basement level. L+ Mall will provide matchless shopping and leisure experience, because it will own speciality stores with leading brands, eastern and western restaurants, one premium supermarket, G-Super, which will be the first G-Super brand supermarket in Tianjin, and a high-end cinema, Palace Cinema. Within 3 km of L+ Mall are more than 20 upscale communities, including Wellington Riverside Garden, Wellington Sea Garden and Wellington River Atrium Garden, which are residential properties developed by the Shanghai Lujiazui Finance & Trade Zone Development Company Ltd. L+ Mall is scheduled to enter the market in the first half year of 2018 and will provide a new option for high-end consumer groups and families, businessmen and white-collar workers.

In addition, one of the most special elements that the Lujiazui mixed-use project is being used for is in the education sector. Wellington College International Tianjin is a British international school located in the Lujiazui project in Hongqiao. The opening of Wellington College International Tianjin in 2011 helped Lujiazui become the only mixed-use project to be home to an international school in Tianjin.

Mixed-use projects are emerging in Tianjin's non-core area

Looking forward, more mixed-use projects are expected to enter Tianjin's non-core area. Not only in Hongqiao, but formerly less developed areas like Hedong will welcome CITIC Real Estate's City Plaza, including several residential high-rises, a shopping mall, a hotel, and office towers within next five years, and New Badali in Hexi will also see several residential projects, three shopping malls, and multiple office towers developed by multiple domestic developers. Limited future land supply in traditional business area like Heping, will force developers looking to enter the market in non-core area. More people will benefit from these mixed-use projects in non-core areas and will easily find an attractive destination to eat, drink, shop and spend the weekend with their friends and families.



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